

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of the Office of Financial and Insurance Services

In the matter of:

Cash Co. dba CashCo
215 1/2 S. Cedar Street
Manistique, MI 48854

Enforcement Case No. 06-4916

Linda Harrison, President

Respondents

Issued and entered,
on February 2, 2007
by Frances K. Wallace
Chief Deputy Commissioner

CONSENT ORDER

I.

BACKGROUND

Cash Co. dba CashCo is a Michigan domiciled corporation organized under the laws of the state of Michigan. On or about August 3, 2006, Cash Co. dba CashCo made application for licensure as a deferred presentment service provider under the Deferred Presentment Service Transactions Act, Act No. 244 of 2005, MCL 487.2121 *et seq.* ("Act"). Linda Harrison is the President of Cash Co. dba CashCo (Respondents). Respondents are not licensed by the Office of Financial and Insurance Services ("OFIS") pursuant to the Act to engage in the business of providing deferred presentment service transactions. In reviewing the past practices of Respondents, OFIS staff determined that Respondents conducted deferred presentment service transactions, which require licensure under the Act. Respondent and

OFIS staff have conferred and have agreed to resolve this matter according to the terms set forth below.

II.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all times pertinent to the matter herein, Respondents were not licensed by OFIS to engage in deferred presentment service transactions.

2. During OFIS' s investigation of Cash Co. dba Cashco' s application for licensure under the Act, OFIS staff discovered that from October 12,2006, to December 7, 2006, Respondents conducted 162 deferred presentment service transactions without a license to engage in such activities under the Act.

3. Section 11 of the Act prohibits a person from engaging in the business of deferred presentment service transactions before obtaining a license under the Act, unless the person is exempt from licensure under the Act.

4. Respondents are not exempt from licensure under the Act.

5. Based on the forgoing, Respondents violated Section 11 of the Act by engaging in deferred presentment service transactions prior to obtaining a license under the Act.

III.

ORDER

Therefore it is ORDERED that:

1. Respondents shall cease and desist violating Section 11 of the Act.

2. Respondents shall pay the state of Michigan, through the Office of Financial and Insurance Services, a civil penalty in the amount of \$1,000.00. The fine shall be paid on or before 30 days of the date of entry of this Order.

3. Linda Harrison, as President of Cash Co. dba CashCo, shall establish and maintain a program to monitor and ensure compliance with the Act.

4. Linda Harrison, as President of Cash Co. dba CashCo, shall educate herself and all employees of Cash Co. dba CashCo with respect to all state and federal consumer laws and regulations, including the Deferred Presentment Service Transactions Act.

5. Linda Harrison, as President of Cash Co. dba CashCo, shall immediately designate a compliance officer for Cash Co. dba CashCo to ensure that Cash Co. dba CashCo is in compliance with applicable state and federal laws, rule, and regulation, and provide written notification to the Office of Financial and Insurance Services of the compliance officer's name and business address. Respondents' written notice designating a compliance officer shall accompany its payment of a civil penalty as provided for in Paragraph 2 of this Order. Linda Harrison, as President of Cash Co. dba CashCo, shall notify the Office of Financial and Insurance Services of any change in designation of the compliance officer within 30 days of such re-designation.

The Commissioner retains jurisdiction over the matters contained herein and has the authority to issue such further Order(s) as she shall deem just, necessary, and appropriate in accordance with the provisions of the Act. Failure by Linda Harrison and Cash Co. dba CashCo to abide by the terms and provisions of this Order may result in the commencement of additional proceedings.

Frances K. Wallace
Chief Deputy Commissioner